

Message Text

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51

ACTION EB-11

INFO OCT-01 ARA-16 EA-11 ISO-00 AID-20 COME-00 INT-08

OPIC-12 TRSE-00 XMB-07 CIAE-00 INR-10 NSAE-00 RSC-01

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FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 1605

INFO AMEMBASSY TOKYO

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E.O. 11652: N/A

TAGS: EFIN, ENRG, BL, JA

SUBJ: JAPANESE PROPOSE LOAN TO YPFB

1. ON NOVEMBER 27, LUIS SALINAS, PLANNING DIRECTOR OF YACIMIENTOS PETROLIFEROS FISCALES BOLIVIANOS (YPFB) MENTIONED CASUALLY TO AN ECONOFF THAT THE JAPANESE HAD OFFERED YPFB A US\$ 100 MILLION LOAN TO FINANCE YPFB'S EFFORTS TO EXPLORE BOLIVIA IN SEARCH OF HYDRO-CARBONS.
2. MR. SALINAS OFFERED NO DETAILS ON THE DATE OF THE OFFER WAS MADE, PRECISELY WHO MADE IT, OR THE DURATION OF THE LOAN.
3. MR. SALINAS COMMENTED THAT SUCH A LOAN OFFER IS NOT WITHIN THE DESIRED MODES OF EXPLORATION. WHAT YPFB WANTS AND WHAT IT WILL TRY TO ENCOURAGE FROM JAPAN IS A CONTRACTUAL ARRANGMENT WITH A JAPANESE OIL FIRM WHEREBY THE COMPANY ITSELF COMES TO BOLIVIA TO DO THE EXPLORATION.
4. MR. SALINAS, IN EXPLAINING WHY THE JAPANESE OFFER HAS NOT BEEN SNATCHED UP, SAID THAT YPFB SIMPLY DOES NOT HAVE THE ORGANIC CAPACITY TO DO ADDITIONAL WORK AND THAT, FOR THIS REASON, DESIRES THE PRESENCE OF FOREIGN OIL COMPANIES.
5. INTER ALIA, MR SALINAS MENTIONED THAT YPFB CALCULATES US\$ ONE

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BILLION RPT ONE BILLION IS REQUIRED TO EXPLORE THE HYDROCARBON

RESOURCES OF BOLIVIA, LOCATED OVER AN AREA OF 45 MILLION HECTARES.
ONE SHOULD TAKE NOTE, HE SAID, THAT EXPLORATION CONTRACTS WITH
FOREIGN COMPANIES ARE BEING LET FOR ONE MILLION HECTARE LOTS
AND THAT, ARITHMETICALLY, 45 CONTRACTS COULD BE LET. MR. SALINAS
NOTED, THE RATIO OF DIRECT EXPLORATION AND DEVELOPMENT TO BE DONE
DIRECTLY BY YPFB TO SIMILAR WORK DONE FOR YPFB BY FOREIGN COMAPNIES
IS A DECISION WHICH IS YET TO BE TAKEN BY BOLIVIA'S HIGHEST POLITICAL
AUTHORITIES.
STEDMAN

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Message Attributes

Automatic Decaptioning: X
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Disposition Event:
Disposition History: n/a
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